

Program A: State Board of Cosmetology

Program Authorization: R.S. 37:491; R.S. 36:109(B)(4);R.S. 499-556

PROGRAM DESCRIPTION

The mission of the Louisiana State Board of Cosmetology is to regulate and monitor members of the cosmetology industry to maintain public health and welfare standards in the interest of the general public. In addition, the State Board of Cosmetology seeks to insure that individuals receiving licenses meet the educational and testing requirements established by the State of Louisiana; and that licensed professionals maintain the highest standards while providing services to the public.

1. Increase and improve productivity, assure and increase the standards of excellence, as well as, consistency and communication.
2. Insure that all operating cosmetologists have the proper license(s) and are operating under sanitary conditions.
3. Insure that all students graduating from schools are qualified for licensure and have attained a basic level of education.

The Louisiana State Board of Cosmetology program includes the following activities:

1. Executive Administration – Includes but is not limited to establishing testing procedures, maintaining a complaint tracking system, policy-making board meetings, administrative hearings, budgetary review and control.
2. Testing and Licensing and Investigation – The licensing program issues approximately 38,745 operator licenses 7,850 salon licenses, and 55 schools are licensed annually. The licensing program also issues approximately 2664 student licenses annually.
3. Investigation and Enforcement – Enforces the Cosmetology Act through inspections and investigations of formal complaints; provides reports for board review and supporting documentation for administrative hearings/action.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

GENERAL PERFORMANCE INFORMATION: ADMINISTRATION ACTIVITY

PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00
Percentage of students passing exams and receiving initial license	Not available ¹	54%	64%	84%
Percentage increase in the number of students passing exams and receiving initial license	Not available ¹	Not available ¹	10%	20%
Cost per exam	\$18.92	\$17.86	\$22.20	\$21.52
Number of students registered annually	Not available ¹	2,664	2,450	2,597
Number of exams administered annually	3,437	3,492	2,669	3,323
Percentage of Cosmetology licenses issued to exams administered	62%	76%	82%	85%
Percentage of Manicuring licenses issued to exams administered	43%	51%	83%	94%
Percentage of Esthetician licenses issued to exams administered	100%	62%	85%	82%
Percentage of Teacher licenses issued to exams administered	69%	25%	80%	75%
Cosmetology licenses issued	910	790	1,540	1,091
Manicuring licenses issued	195	349	550	416
Esthetician licenses issued	18	35	50	40
Teacher licenses issued	34	32	40	13
Total number of students taking exam	Not available ¹	3,492	2,669	1,882

¹ This indicator was not being tracked at this time.

1. (KEY) Through the Administration activity, to maintain the pass/fail ratio at 85% through the establishment of consistent testing procedures.

Strategic Link: This objective ties to Louisiana State Board of Cosmetology Strategic Plan Objective 3.1: *To improve the pass/fail ratio by 50%, through the establishment of consistent testing procedures, by June 30, 2003.*

Louisiana: Vision 2020 Link: No direct link

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of students passing exams and receiving initial license	64%	84%	85%	85%	85%	85%
K	Cost per exam ¹	\$23.95	\$21.52	\$23.00	\$23.00	\$22.92	\$22.92
S	Number of students registered annually	2,664	2,597	2,664	2,664	2,600	2,600
S	Number of exams administered annually	2,880	3,323	2,880	2,880	3,000	3,000
	Percentage of licenses issued to exams administered						
K	Cosmetology	86%	85%	86%	86%	85%	85%
K	Manicuring	61%	94%	79%	79%	88%	88%
K	Esthetician	72%	82%	83%	83%	83%	83%
K	Teacher	50%	75%	80%	80%	75%	75%
	Licenses issued by license type						
S	Cosmetology	1,100	1,091	1,486	1,486	1,200	1,200
S	Manicuring	580	416	799	799	700	700
S	Esthetician	48	40	58	58	45	45
S	Teacher	60	13	60	60	15	15
S	Total number of students taking exam	1,788	1,315	2,880	2,880	1,700	1,700

¹ Cost per exam is calculated by taking the number of exam dates x number of exam team members (per diem + expenses)/ number of tests administered.

GENERAL PERFORMANCE INFORMATION: TESTING AND LICENSING ACTIVITY

PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00
Renewal time frame (in weeks)	4	4	8	4
Total number of licenses issued	4,835	35,947	34,720	36,340
Number of licenses to one staff person	7,639	5,991	5,063	5,191
Cost per license issued	\$4.29	\$13.79	\$20.21	\$17.05

NOTE: These performance indicators were not tracked or reported prior to FY 1996-1997.

2. (KEY) Through the Testing and Licensing activity, to decrease the turnaround time for licenses issued to 3.5 weeks.

Strategic Link: This objective ties to the Louisiana State Board of Cosmetology Strategic Plan Objective 1.2: *To decrease the turn-around time for licenses issued to three weeks, and reduce the amount of licenses returned due to error(s) by 75% by December 31, 2002.*

Louisiana: Vision 2020 Link: No direct link

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Renewal time frame (in weeks)	4.0	4.0	4.0	4.0	3.5	3.5
K	Total number of licenses issued ¹	38,745 ¹	36,340 ¹	38,745 ¹	38,745 ¹	43,340 ¹	43,340
S	Number of licenses to one staff person ²	6,458 ^{1,2}	5,191 ¹	6,458 ^{1,2}	6,458 ^{1,2}	7,045 ^{1,3}	7,045
S	Cost per license issued	\$13.79 ¹	\$17.05 ¹	\$13.79 ¹	\$13.79 ¹	\$9.92 ^{1,4}	\$9.92

¹ In the past, this number reflected only the operator licenses. It should be the sum of all licenses issued, including operator, salon, student and school licenses.

² This figure is based on the total number of licenses issued to a total staff of six (6). However, the actual total staff utilized should have been seven (7).

³ The figure reflects the total number of licenses issued to a total staff of seven (7).

⁴ This figure takes into account the total budget request for Testing and Licensing Program Activity FY 2001-2002, and the total number of licenses issued standard.

**GENERAL PERFORMANCE INFORMATION: INVESTIGATION AND
ENFORCEMENT ACTIVITY**

PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00
Percentage of installation and implementation of computer system completed	Not available ¹	34%	36%
Percentage decrease in the number of violations issued	Not available ¹	15%	20%
Total number of annual facility inspections	15,089	15,010	15,524
Number of facilities licensed	7,850	7,049	8,670
Cost per inspection	\$31.79	\$30.02	\$26.40
Average cost per facility licensed	\$45.58	\$39.29	\$69.85
Number of violations issued	547	1,303	1,054
Percentage decrease in the number of complaints received	Not available ¹	10%	4%
Number of complaints received	65	135	72
Percentage of complaints resulting in disciplinary action	Not available ¹	45%	0%

¹ These are newer performance indicators which were not being tracked in this period.

3. (KEY) Through the Investigation and Enforcement activity, to complete 85% of the installation and implementation of the new computer system for the purpose of tracking pertinent information, such as the number of violations issued, in order to decrease over time the number of violations issued, as a result of the distribution of information.

Strategic Link: This objective ties to the Louisiana State Board of Cosmetology Strategic Plan Objective 1.1: *To complete 100% installation and implementation of the new computer system by December 31, 2002.*

Louisiana: Vision 2020 Link: No direct link

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: It was the intent, through the completion of Phase II, to input inspection information into the system and generate a report indicating expiration dates of licenses, so that Inspectors could anticipate and prevent delinquent licenses, thereby reducing the number of violations. However, due to Phase II not being implemented, these reports were not available.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT II PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of installation and implementation of computer system completed	45%	36%	39%	39%	85%	85%
S	Total number of annual facility inspections	24,000	15,524	21,050	21,050	21,146 ¹	21,146
S	Number of facilities licensed	7,850	8,670	7,049	7,049	8,670	8,670
S	Cost per inspection	\$25.50	\$26.40	\$25.50	\$25.50	\$29.96 ²	\$29.96
S	Average cost per facility licensed	\$39.29	\$69.85 ³	\$39.29	\$39.29	\$45.36 ⁴	\$45.36
K	Number of violations issued	950	1,054	950	950	950	950

¹ This figure is based on the number of facilities licensed times two (2) statutorily required inspections added to the number of follow-up inspections to violations, and then added to the new facility initial and follow-up inspections.

² According to the Investigation and Enforcement Program Activity the figure is calculated by taking Total Budget Request for FY 20001-2002 and dividing it by the total number of facilities times two (2) statutorily required inspections.

³ This figure was erroneously calculated. This figure was calculated by multiplying the cost of inspections times two (2) inspections plus the cost to issue a license. The cost of inspection should not have been doubled due to the fact that this cost is based on two inspections per year in itself, therefore doubling it again was incorrect. This cost should have been stated at \$43.45.

⁴ This figure includes the cost to issue a license, and cost per inspection.

4. (SUPPORTING) Through the Investigation and Enforcement Activity, to reduce the number of complaints received regarding unlicensed operators by 30%.

Strategic Link: This objective ties to the Louisiana State Board of Cosmetology Strategic Plan objective 2.1: *To reduce the number of complaints received regarding unlicensed operators by 30% by January 1, 2001.*

Louisiana: Vision 2020 Link: No direct link

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L		PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
	PERFORMANCE INDICATOR NAME						
S	Percentage decrease in the number of complaints received	10%	4% ¹	30%	30%	30% ²	30%
S	Number of complaints received	135	72	135	135	135 ³	135
S	Percentage of complaints resulting in disciplinary action	45%	0%	45%	45%	45% ⁴	45%

¹ Actual yearend performance for FY 1999-2000 is incorrect. It appears that the board office did not realize this was a cumulative figure. There were "0" complaints reported by the former Executive Director for the 4th quarter. However, there were actually seventy-two (72) cumulative complaints. Initially, 135 complaints were targeted in LaPAS. The actual figure (72 complaints) reflects a 53% decrease in the number of complaints received for the year.

² This figure may actually show an increase rather than decrease due to the implementation of proper tracking methods, and honoring only written complaints.

³ The performance standard has been left the same as the prior year standard, as we need a valid starting point.

⁴ The board will fully utilize available legal assistance to initiate any necessary disciplinary action. The performance standard will remain at 45%

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999- 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	1,260,546	1,464,563	1,464,563	1,488,652	1,493,557	28,994
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><u>\$1,260,546</u></u>	<u><u>\$1,464,563</u></u>	<u><u>\$1,464,563</u></u>	<u><u>\$1,488,652</u></u>	<u><u>\$1,493,557</u></u>	<u><u>\$28,994</u></u>
EXPENDITURES & REQUEST:						
Salaries	\$514,617	\$601,218	\$565,737	\$584,170	\$664,168	\$98,431
Other Compensation	64,025	125,420	123,620	123,620	123,620	0
Related Benefits	119,712	157,257	192,600	195,263	213,625	21,025
Total Operating Expenses	278,520	322,471	324,409	325,159	349,058	24,649
Professional Services	5,000	33,120	33,120	33,120	33,120	0
Total Other Charges	215,615	225,077	225,077	227,320	109,966	(115,111)
Total Acq. & Major Repairs	63,057	0	0	0	0	0
TOTAL EXPENDITURES AND REQUEST	<u><u>\$1,260,546</u></u>	<u><u>\$1,464,563</u></u>	<u><u>\$1,464,563</u></u>	<u><u>\$1,488,652</u></u>	<u><u>\$1,493,557</u></u>	<u><u>\$28,994</u></u>
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	27	27	27	27	29	2
Unclassified	2	2	2	2	2	0
TOTAL	<u><u>29</u></u>	<u><u>29</u></u>	<u><u>29</u></u>	<u><u>29</u></u>	<u><u>31</u></u>	<u><u>2</u></u>

SOURCE OF FUNDING

The State Board of Cosmetology Program is funded from Fees and Self-generated Revenues. The Fees and Self-generated Revenues are used to provide funding to promulgate and enforce rules and regulations, administer state laws regulating the cosmetology industry, and include fees and/or licenses for the issuance of licenses for cosmetologists, and the registration of salons, and cosmetology schools.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$1,464,563	29	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$1,464,563	29	EXISTING OPERATING BUDGET – December 15, 2000
\$0	\$10,062	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$0	\$11,034	0	Classified State Employees Merit Increases for FY 2001-2002
\$0	(\$6,891)	0	Risk Management Adjustment
\$0	\$158	0	Legislative Auditor Fees
\$0	\$136	0	UPS Fees
\$0	(\$11,683)	0	Attrition Adjustment
\$0	(\$311)	0	Civil Service Fees
\$0	\$1,949	0	Indirect Cost Adjustment for support services from the Office of the Secretary
\$0	\$0	2	Agency will absorb support services that had been handled by the Office of the Secretary, resulting in the addition of two (2) positions. \$117,043 will be transferred from IAT expenditures to Salaries and Related Benefits
\$0	\$24,540	0	Cosmo - Electronic Signature System to allow for an more efficient and effective way of verifying signatures for licenses
\$0	\$1,493,557	31	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$1,493,557	31	BASE EXECUTIVE BUDGET FISCAL YEAR 2001-2002
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$1,493,557	31	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 102% of the existing operating budget. It represents 98.6% of the total request (\$1,515,413) for this program. The major change reflected in the analysis of recommendation is increased funding of \$24,540 for an Electronic Signature System to allow for a more efficient and effective way of verifying signatures for licenses.

PROFESSIONAL SERVICES

\$30,120	Legal Services - Provide legal services as required by the State Board of Cosmetology, including advisory opinions, legal research, and appearances in court on behalf or in defense of the State, etc.
\$3,000	Training, planning, court reporter, and other miscellaneous services deemed necessary
\$33,120	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$1,976	Legislative Auditor expenses
\$1,976	SUB-TOTAL OTHER CHARGES
	Interagency Transfers:
\$102,281	Reimbursement for support services provided by the Office of the Secretary (fiscal, human resources, purchasing, etc.)
\$1,631	Pro-rata share of cost of operations of the Department of Civil Service
\$152	Pro-rata share of cost of operations of the Comprehensive Public Training Program
\$926	Pro-rata share of cost of operations of the Uniform Payroll System
\$3,000	Microfilming services provided by Prison Enterprises
\$107,990	SUB-TOTAL INTERAGENCY TRANSFERS
\$109,966	TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2001-2002.